

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Maurice Derand Evans
System ID No. 0112643

Enforcement Case No. 10-7600

Respondent
_____ /

Issued and entered
on 7/12/10 2010
by Stephen R. Hilker
Chief Deputy Commissioner

CONSENT ORDER AND STIPULATION

A. FINDING OF FACTS AND CONCLUSIONS OF LAW

It is alleged that the following statements are true and correct:

1. On or about December 23, 2009, the Office of Financial and Insurance Regulation ("OFIR,") received a complaint from Farmers Insurance Group alleging Respondent failed to remit insurance premium and fraudulently submitting homeowners' policies written on two properties owned by Maurice Derand Evans and his wife.
2. On or about June 4, 2008, Respondent Maurice Derand Evans ("Respondent") received a \$755.00 insurance premium check from an insured.
3. Respondent deposited the check in an unknown bank account and not in the Farmers Company Bank Account, as required.
4. Respondent did not remit the check or any other money to Farmers Insurance Group for this insured.
5. From March 2007 to August 2009, Respondent kept two home properties insured by creating new policies and new billing accounts without paying policy premium to Farmers Insurance Group.
6. Respondent concealed his actions by creating various spellings of his and his wife's name or slightly changing the property location. (See Personal Policy Manipulation Chart below.)

Personal Policy Manipulation Chart

Policy # / Account #	Insured's Name	Property Location	Policy Inception Date	Cancellation Date	Term Premium	Amount Paid	Earned Premium Due
932796092/ RP73473	Cheryl Evan	2356 Hiller Rd, Bloomfield, MI	3/6/2007	7/21/2007	\$1,750.71	\$0.00	\$696.12
934034011/ ZG91138	Maurice Evans	2356 Hiller, Bloomfield, MI	8/9/2007	12/24/2007	\$3,106.74	\$0.00	\$1,215.27
935960289/ RZ89414	Sheryl Evan	2356 Hiller Rd, West Bloomfield, MI	12/12/2007	4/27/2008	\$1,906.91	\$0.00	\$754.54
937246923/ WB72536	Morris Even	2356 Hiller, Bloomfield, MI	3/17/2008	9/2/2008	\$3,593.37	\$0.00	\$1,721.72
937133311/ YN31117	Cheryl Evans	2356 Hiller Rd, West Bloomfield, MI	5/19/2008	10/4/2008	\$2,791.07	\$0.00	\$1,099.03
937456980	Maurice Evans	2356 Hiller Rd, West Bloomfield, MI	8/18/2008	11/2/2008	\$3,368.75	\$0.00	\$700.70
937939442/ ST12252	Sheryl Even	2356 Hiller Rd, West Bloomfield, MI	10/17/2008	2/2/2009	\$2,802.90	\$0.00	\$869.65
937800218/ YF72720	Maurice Evan	5354 Fox Ridge Dr, West Bloomfield, MI	12/12/2008	4/27/2009	\$3,756.94	\$0.00	\$1,651.01
							\$8,708.04

7. Respondent's manipulation made it appear as if the policy he was creating was for a new insured or a new location. Respondent's manipulations kept the properties insured without paying the premium owed to Farmers Insurance Group.
8. From March 2007 to August 2008, Respondent was responsible for \$8,708.04 in earned premium accumulated on the eight homeowners' policies.
9. As a licensee, Respondent knew or had reason to know that Section 1207(1) of the Michigan Insurance Code, (hereafter "Code") requires: "An agent to be a fiduciary for all money received or held by the agent in his or her capacity as an agent. Failure by an agent in a timely manner to turn over the money which he or she holds in a fiduciary capacity to the persons to whom they are owed is prima facie evidence of violation of the agent's fiduciary responsibility."
10. As a licensee, Respondent further knew or had reason to know that Section 1239(1)(d) of the Code allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business."
11. As a licensee, Respondent further knew or had reason to know that Section 1239(1)(e) of the Code allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance."
12. As a licensee, Respondent further knew or had reason to know that Section 1239(1)(h) of the Code allows the Commissioner to place on probation, suspend, revoke, or levy a civil fine under Section 1244 or any combination thereof, for "Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere."
13. As a licensee, Respondent further knew or had reason to know that Section 2018 of the Code provides that "An unfair method of competition and an unfair or deceptive act or practice in the business of insurance include making false or fraudulent statements or representations on or relative to an application for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, agent, broker, or individual."
14. Based upon the actions listed above, Respondent has committed acts that are grounds for the Commissioner ordering payment of a civil fine, refund of any overcharges, restitution be made to insureds to cover losses, damages or other harm attributed to Respondent's violation of the Code, and/or licensing sanctions under Section 150 and Section 1244(1) of the Code for the Respondent violating Section 1207(1), 1239(1)(d), 1239(1)(e), 1239(1)(h), and 2018 of the Code.

B. ORDER

Based upon the findings of fact and conclusions of law above, and Respondent's stipulation to said facts, it is hereby ORDERED that:

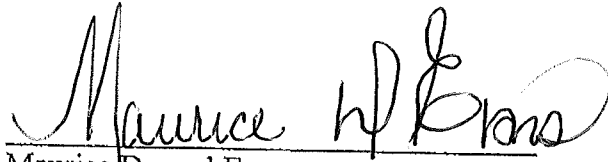
1. Respondent Maurice Derand Evans shall immediately cease and desist from operating in a manner that violates Section 1207 and 1239 of the Code, MCL 500.1207 and 500.1239.
2. Respondent Maurice Derand Evans shall pay restitution in the amount of \$8,708.04 to Farmers Insurance Group.
3. Respondent Maurice Derand Evans shall provide OFIR with a written repayment schedule/agreement between Respondent and Farmer Insurance Group within 30 days of the effective date of this Order. The length of the repayment schedule/agreement shall be determined by Farmers Insurance Group, but shall not be for more than one year from the effective date of this Order. Respondent shall send proof of payment to the OFIR.
4. Respondent Maurice Derand Evans shall pay to the State of Michigan, a civil fine of One Thousand Dollars (\$1,000.00.) Upon issuance and entry of this Order, OFIR will send an Invoice to Respondent and Respondent shall pay the fine by the due date printed on the Invoice.
5. Respondent Maurice Derand Evans' insurance producer license and authority are hereby **REVOKED**.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION

By: Stephen R. Hilker
Stephen R. Hilker
Chief Deputy Commissioner

C. STIPULATION

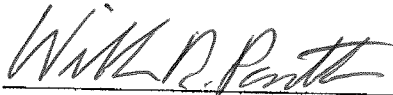
I have read and understand the consent order above. I agree that the Commissioner has jurisdiction and authority to issue this consent order pursuant to the Insurance Code. I waive the right to a hearing in this matter if this consent order is issued. I understand that this stipulation and consent order will be presented to the Commissioner for approval and the Commissioner may or may not issue this consent order. I waive any objection to the Commissioner deciding this case following a hearing in the event the consent order is not approved. I admit the facts set forth in the above consent order and agree to the entry of this order.



Maurice Derand Evans
System ID No. 0112643

Dated: 10/30/10

OFIR staff approves this stipulation and recommends that the Commissioner issue the above Consent Order.



William R. Peattie

Dated: 7/12/10